

EXHIBIT “C”

judgment debtor exam

17 it up and came to some agreement on what the average
18 monthly payment was going to be.

19 Q Okay. And so you receive the same amount
20 every month from them?

21 A Pretty much, yeah.

22 Q Well, you say pretty much. Is there
23 variables that determine how much you get?

24 A Yes. Sometimes they skip a month.

25 Q Okay. You're owed the same amount every

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1 month regardless of whether they're late in payment?

2 A A different question, yes.

3 Q The answer is yes, you get a flat amount
4 every month?

5 A Yes.

6 Q And it doesn't vary depending on how many
7 questions they ask you or how much time you take in a
8 particular month to respond to their questions?

9 A I guess it could but I don't.

10 Q Up to now, it has not varied -- the amount
11 they pay you has not varied based on any sort of
12 amount of time you spend?

13 A No.

14 Q What approximately is that monthly number?

15 A \$5,000 something.

16 Q So going back to these bank statements that
17 show over \$20,000 moving through your account in
18 various months, what's the source of those funds?

19 A That would be Y. Hata.

20 Q Okay. Are they paying you 20,000 in one

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month or are they five months behind or what? How do
22 you reconcile the \$5,000 a month payment with the
23 larger amounts moving through your account in April,
24 May, June of 2007?

25 A They -- as I was telling you, I'm trying to

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1 get new business. And in talking to them, I
2 discounted a balance of payment over a period of time
3 to them for bulk payment to buy new software, things
4 so I can get new business.

5 Q If I understand you correctly, you -- they
6 gave you a larger lump sum payment and then for some
7 number of months in the future, there won't be any
8 payment made, is that right?

9 A Correct.

10 Q I see. And is that agreement contained in
11 the materials that you've brought today?

12 A No.

13 Q Where is that agreement?

14 A It doesn't exist anywhere to my knowledge.

15 Q It was an oral agreement only?

16 A It was something I asked them if they would
17 help me 'cause I needed this new business and they
18 said they wanted something in exchange for it and we
19 worked out a discount that they were happy with and
20 it satisfied both parties for the time being.

21 Q Okay. So how much did they -- explain that
22 agreement. How much did they agree to give you?

23 A I don't recall the exact amount.

24 Q Approximately.

25 A They're fairly reflected in those couple

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1 statements.

2 Q Approximately how much?

3 A I don't know. Something in the 50 to 60
4 range, something like that.

5 Q They agreed to give you somewhere between 50
6 and \$60,000 in exchange for how many months of no
7 payments?

8 A I don't know. But they got a discount on
9 the entire license fee that was originally agreed to
10 in exchange for that.

11 Q How much was the discount?

12 A I don't recall the number.

13 Q Approximately how much?

14 A Could have been 10, 20 percent, something
15 like that.

16 Q When was this agreement reached?

17 A We started talking about it in late 2006.
18 It was part of the move to Florida to get new
19 business and I asked them if they would be agreeable
20 to as I saw what was coming if they worked with me so
21 I could try and get some of this new business. And I
22 don't remember exactly when we came to a final
23 agreement but they were agreeable from the beginning
24 when I told them I was going to go after new business
25 in another part of the country.

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1 Q And you have absolutely no record that
2 reflects the amount that you agreed to discount of